

VZCZCXYZ0000
PP RUEHWEB

DE RUEHTV #1209/01 1551026
ZNR UUUUU ZZH
P 041026Z JUN 09
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 2049
RHEHAAA/WHITE HOUSE WASHDC PRIORITY
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY
RUEADWD/DA WASHDC PRIORITY
RHMFIUU/CNO WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 5508
RUEHAS/AMEMBASSY ALGIERS PRIORITY 2088
RUEHAM/AMEMBASSY AMMAN PRIORITY 6044
RUEHAK/AMEMBASSY ANKARA PRIORITY 6319
RUEHLB/AMEMBASSY BEIRUT PRIORITY 5549
RUEHEG/AMEMBASSY CAIRO PRIORITY 4108
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 6373
RUEHLO/AMEMBASSY LONDON PRIORITY 3182
RUEHFR/AMEMBASSY PARIS PRIORITY 1385
RUEHRB/AMEMBASSY RABAT PRIORITY 0078
RUEHRO/AMEMBASSY ROME PRIORITY 7587
RUEHRH/AMEMBASSY RIYADH PRIORITY 2565
RUEHTU/AMEMBASSY TUNIS PRIORITY 6581
RUCNDT/USMISSION USUN NEW YORK PRIORITY 8630
RUEHJI/AMCONSUL JEDDAH PRIORITY 1407
RUEHJM/AMCONSUL JERUSALEM PRIORITY 2140
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 001209

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR X0XX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

SIPDIS
E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

President Obama to Mideast

Key stories in the media:

All media led with issues related to President Obama's visit to Riyadh and his speech in Cairo, slated for the early afternoon. The media cited Jerusalem's tension ahead of the address. Yediot headlines: QObama in Mideast: the Arab Embrace, the Israeli Concern.Q HaQaretz expects Obama to call on Israel and the Arab

states to change their approach to the Middle East peace process. HaQaretz quoted a U.S. source as saying that the President will encourage the Arab world to change its attitude toward Israel and embark on "normalization." HaQaretz believes that Obama will stress that Israel needs to change its attitude toward the Palestinians and cease construction in the West Bank settlements to enable a two-state solution. The Jerusalem Post quoted the President as saying in an interview with The New York Times: QThere are a lot of Arab countries more concerned about Iran developing a nuclear weapon than the QthreatQ from Israel, but wonQt admit it.

Maariv bannered a statement attributed to Special Envoy for Middle East Peace Sen. George Mitchell QThe Israelis lied to us all these years. ItQs over.Q Mitchell reportedly used the statement to summarize US policy in a recent meeting with a prominent Jewish leader in New York.

HaQaretz and other media quoted DM Ehud Barak as saying yesterday that he "does not share the assessments" that Obama seeks to topple PM Benjamin Netanyahu's government through extraordinary pressure, as some pundits have claimed. Barak added that after a series of meetings in Washington, "I am more optimistic -- certainly more optimistic than the way things have been presented in the media." Media also quoted him as saying, regarding the American demand for the freezing of all settlement activity: "There needs to be rational conduct that is connected to real life; you can't just expect irrational things to happen."

Israel Radio cited an article by President Shimon Peres in todayQs London Times, in which he wrote: QPresident Obama's journey to Saudi Arabia and Egypt could be an opportunity. It reflects both the need for an historic change in the Middle East and a unique chance of achieving it.Q The radio reported that Peres coordinated the op-ed piece with Netanyahu.

Major media reported that Interior Minister Eli Yishai (Shas) announced yesterday that he will respond to ObamaQs outreach to the Arabs by expanding West Bank settlements.

Leading media quoted FM Avigdor Lieberman as saying yesterday in Moscow that Israel does not intend to bomb Iran.

HaQaretz and The Jerusalem Post reported that 130 to 200 protesters gathered yesterday afternoon in front of the U.S. Consulate-General in Jerusalem to rally against the PresidentQs Middle East tour. Observed by more than a dozen local and international journalists, the protestors chanted "No, You Can't," waved posters saying "20 new settlements by 2010 -- Yes We Can!" National Union MKs Arie Elad and Michael Ben Ari addressed the crowd, largely made up of native English speakers. Yediot and Israel Radio reported that several Democratic Congress members have criticized the PresidentQs approach to Israel, saying that he Qhas gone too far.

Media cited Israeli officialsQ complaints that the U.S. has not informed PM Netanyahu of the contents of the PresidentQs speech. HaQaretz reported that the White House specifically asked Egyptian authorities to invite IsraelQs Ambassador to Egypt Shalom Cohen to the PresidentQs speech. Media noted that 10 members of the Muslim Brotherhood party will be in the hall, as well as official Iranian representatives.

Yediot cited that in a special report to be published soon, the IAEA is slated to report that there are at least three more nuclear sites in Syria.

The media reported that Interior Minister Eli Yishai has ordered Shas MK David Azoulay to submit a controversial bill according to which the interior minister would have the power to revoke citizenships without the authorization of the attorney-general or the court. Currently, Citizenship Law stipulates that revoking citizenship requires the attorney-general's authorization and the court's consent. The media reported that the citizenship and state pension of self-exiled former MK Azmi Bishara could be revoked.

HaQaretz reported that an educational kit on the Palestinian Nakba is being disseminated among teachers throughout the country. Developed by Zochrot, a left-wing non-government organization, the kit is meant to serve the Jewish educational system for pupils aged

15 and above, and includes history plus literary and personal views on the Nakba, as well as discussion of the ways the issue has been sidelined in public discourse. Some teachers have reportedly been using of the kit, even though it has not been approved by the Education Ministry.

HaQaretz quoted Palestinian sources as saying that Hamas political leader Khaled Mashal recently relieved two brigade commanders in Gaza on Iranian recommendations.

Maariv reported that former Chairman of the Federal Reserve Paul Volcker, QObamaQs economic adviser,Q secretly visited Israel last month and met with Netanyahu and Bank of Israel Governor Prof. Stanley Fischer to discuss ObamaQs economic policy with Netanyahu.

Maariv reported that Deputy IDF Chief of Staff Maj. Gen. Dan Harel has asked Chief of Staff Lt. Gen. Gabi Ashkenazi to release him from the army. The newspaper cited IDF assessments that O/C Northern Command Gadi Eisenkot will succeed Harel.

HaQaretz reported that John Gunther Dean, a former U.S. ambassador to Lebanon, claims in a memoir released last week that Israeli intelligence agents attempted to assassinate him in 1980. The newspaper infers from the alleged case that former senior Mossad operative Haggai HadasQs experience is not necessarily an advantage in the talks he will conduct over Gilad ShalitQs release, as Maariv assesses that the talks will resume within a week.

The Jerusalem Post reported that the state will ask the U.S., in accordance with a law providing for mutual legal assistance, to provide all information gathered in an American investigation of Morris Talansky that might be relevant to the Talansky Affair in Israel involving former PM Ehud Olmert.

HaQaretz and Maariv reported that a study of the world's most peaceful countries released yesterday ranks Israel as fourth to last among the 144 countries ranked -- Iran is ranked as 99th. According to the Global Peace Index, an annual ranking of the world's nations on the basis of how peaceful they are, Somalia, Afghanistan and Iraq are the only countries more dangerous than Israel.

President Obama to Mideast:

Block Quotes:

II. "ObamaQs Credibility Test"

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz (6/4): QThe repetition of statements by Obama and senior administration officials, calling for complete cessation of settlement activity, have placed the President in a position from which he will find it difficult to pull back. Henceforth, every approval of a construction plan in a settlement will be regarded as a personal challenge to the President, just about equivalent to the North Korean nuclear tests.... A freeze on settlements is his gift to his Saudi and Egyptian hosts. Enforcing the freeze will be his test of credibility. The overt dispute with Israel is meant to bolster his image in Arab eyes. If Netanyahu would have agreed immediately to his demand, Obama would have lost points. He wants to come to Cairo after being seen as having hit Israel's right-wing Prime Minister on the head. Netanyahu will do everything to avoid this confrontation and will therefore have to give up his many years of opposition to the idea of a Palestinian state. He will then hope that Arab refusals will bog the entire process down and will save him the trouble of having to discuss really difficult issues like evacuating settlements, Jerusalem and the refugees.

II. "He Has Come to Conquer"

Senior columnist Nahum Barnea wrote on page one of the mass-circulation, pluralist Yediot Aharonot (6/4): QThe main responsibility for drawing up the American plan for resolving the Israeli-Arab conflict has been assigned to special envoy George Mitchell and his advisers. In essence, it is a plan of land in

exchange for normalization. It is too soon to know whether this will crystallize into a detailed plan.... The region that Obama wishes to redeem from its agony is a paradise for pessimists. Former U.S. ambassador to Israel Martin Indyk, who currently serves as a consultant to [Special Envoy George] Mitchell, wrote in his book *Innocent Abroad*, which was published this week under the title *An American Peace*, about the special talent of Middle East leaders to thwart any idea that harms their interests. Obama will have to overcome not only conflicting interests, but also skepticism and cynicism, derived from bitter and long experience. Obama will soon learn that it is no less difficult to bring the Arabs to normalization than it is to take Israel out of the territories. QNormalization, Q an Egyptian government official says to us, Qis when Egypt and Saudi Arabia sit by quietly while you kill Palestinians in Gaza. What more do you want?Q.... For better and for worse, the Bush era is over. Israel has to find a way to make the most of the initiative launched by Obama. The train is moving forward. It is doubtful whether it will reach its destination, but one thing is certain: Whoever remains on the platform will not get anywhere.

III. "Sea of Frustration"

Diplomatic correspondent Ben Caspit wrote on page one of the popular, pluralist *Maariv* (6/4): QOne gets the impression that the Americans intend to go with this to the end. They are forceful and arrogant, and when they decide to run somebody over, he is run over. Last time, George Bush did it to Yasser Arafat. He erased him, and that was it. Now, not to compare the two, we are in the gun sights. True, not as strongly as it was done then, and not in order to kill, but in order to teach us a lesson -- to bring the rebellious state that is known as Israel into line. Is there no way out? Three scenarios: keep our heads down, say no, get into a confrontation with the U.S. administration and hope that it will pass within a year. Obama will start to plan for the Senate and House elections in 2010 and he will be fed up. The other scenario is to give in. To flow with Obama, hope that the coalition will last and if not, then change it. The third scenario, the one that Netanyahu will choose, will be to try to create, somehow, a kind of compromise.... But all this is small change. Netanyahu's real nightmare is what will happen next month, when the American deadline expires. Behind closed doors, Bibi says that during the summer, the Americans will present a peace plan whose main component is a return to the 1967 borders. They will convene a large international committee, with the entire world and his wife, in which everything will be sewn up between Israel and the Arab world. Israel will be dragged there by his hair. The question is whether it will also come back from there.

IV. "We'll Yield in the End"

Channel 2-TV commentator Amnon Abramovitch wrote in *Yediot Aharonot* (6/4): QNetanyahu may be forced to dilute his stock, or dilute his extremist stockholders. For example, to turn to Tzipi Livni and Kadima and make them an offer that they will find difficult to refuse, if they hold dear the state's interests and the greater good. The Obama administration is asking Israel to freeze the settlements. That is not a lot. It is not impossible.... Netanyahu may be the prime minister in whose term Iran will complete its nuclear program and missile array, while Israel is estranged from the United States, more exposed and lonely than ever. An American president has the power to say QGoodbye, friendQ [in Hebrew: *Shalom*, Haver], in the political sense, not the physical sense, of course. What is more worrying is that the president also has the power to say QGoodbye, Israel.

V. QNo, He Doesn't Understand

Middle East affairs commentator Dr. Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in *Yediot Aharonot* (6/4): QWhen it became known that President Obama would call for normalization between the Arab world and Israel in the first stages of his Qpeace plan, Q I shrugged. But when I read that he intended to resettle Palestinian refugees in the Arab states where they are already residing, along with monetary compensation, I was already amused. These are pipe dreams, like his predecessor's vision of QArab democracy, Q which collapsed in great noise and brought disaster to the region. This is an unripe plan devised by novices, who believe

that the Israeli-Arab conflict can be resolved with an arrogant stroke of the pen. Clearly, they do not have much understanding: Not of history or of demography, and mainly not of the fears of the region. The Arab states will never waive their demand to return the Palestinian refugees to Palestine, i.e. to the State of Israel, and some, perhaps, to the Palestinian Authority. Why? Because these are sacred matters.... And what does Barack Obama propose to [the Arabs] and us? Instant solutions intended to promote his personal agenda, along with ignorance, disregard of the fears of the region, blindness, and pretension. As in the [1916 British-French] Sykes-Picot agreement, in which lines were drawn with a ruler in the Middle East irrespective of peoples, tribes and religions, the same may happen this time too. The bitter outcome will be paid by the Middle East, as usual, in the blood of its inhabitants.

VI. "Time to Play the Game"

Columnist Ari Shavit wrote in HaQaretz (6/4): QThe U.S. President's behavior is not entirely fair. Obama knows the urgent problem in the Middle East is not natural growth in the settlements, and that there is no Palestinian partner at the moment for real peace.... But the world is not a fair place.... There is only one way for Bibi to save himself: initiative -- an Israeli initiative now. And there is only one initiative that Netanyahu can offer: a long-term plan to build up the Palestinian nation. Not a failed Annapolis a la Olmert and Bush. Not the wise rhetoric of two states now, a la Livni and Rice. Rather, a realistic plan to build Palestine, stage by stage.

VII. "A Domestic Ignition Issue"

Very liberal columnist Gideon Levy wrote in Ha'aretz (6/4): QThe future of the Middle East is a domestic American issue. Since Henry Kissinger determined that foreign policy is merely an extension of domestic policy, his maxim has never had such tremendous potential impact. If Obama succeeds in dealing with GM, he will also win public support in dealing with [radical] Yitzhar and other settlements like it. If he can convince American supporters of Israel that relations with the Jewish state have become dishonest, the sky's the limit. Americans must understand that without changing relations with the Arab and Muslim worlds, the world itself will become a more dangerous place, and that improving relations with those people need not be at Israel's expense, but to its benefit. Time is short but the keys are in the ignition, President Obama. Drive on to peace.

VIII. QNo One Is More Zionist than He"

Meretz Party Chairman Haim Oron wrote in Maariv (6/4): QBenjamin Netanyahu and his government are not just gearing up for a clash with the leader of the free world, Barack Obama. An identity crisis lies at the heart of the matter. What did we want to be and what have we become? As someone who grew up in the home of a highly regarded historian, Netanyahu knows that his path clashes with the Zionist vision, with all its thinkers and versions. It is not this reality, these sights and horrors that have become routine here that the giants, thinkers and visionaries dreamed of. Could it be that Obama's vision is closer to Zionism, to those who generated and laid its ideological foundations, than the vision of the State of Israel's current captains of state?.... For some time now the Arab League initiative, whose main point is an unprecedented turnabout in the general Arab position on the question of peace with Israel, has been placed on our doorstep. The rare linkage between an existing serious plan and an assertive American president who wants it to take on flesh, creates an opportunity that we must not miss. This is in our existential interest. We must say yes to Obama.

IX. "Arabs Expect an Obama Apology"

Former ambassador to Egypt and Sweden, conservative contributor Zvi Mazel, wrote in the conservative, independent Jerusalem Post (6/4): QObama would like nothing better than to come out of this speech with one, an Arab coalition -- Egypt, Saudi Arabia, Jordan and the Gulf countries -- in order to confront Iran; two, satisfying the Arab masses in their quest for democracy and economic development;

and three, some sort of formula to solve the conflict with the Palestinians. That seems as likely as President Mahmoud Ahmadinejad, Osama bin Ladin or the Muslim Brotherhood changing their beliefs about Islam and the West.

CUNNINGHAM